

# Exhibit BB-2

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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U.S. SECURITIES AND EXCHANGE :  
COMMISSION, :  
 :  
Plaintiff, : Civil Action No. 19-cv-5244  
 :  
vs. : **DECLARATION OF RYAN RAMSEY**  
 :  
KIK INTERACTIVE INC., :  
 :  
Defendant. :  
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I, Ryan Ramsey, declare as follows:

1. I currently reside in Arcata, California, and have resided here since August 19<sup>th</sup>, 2019. I have personal knowledge of the statements made herein. If called to testify, I could competently and truthfully testify to these facts.
2. I purchased 780,173,779.30 Kin in Kik's 2017 Token Distribution Event (the "TDE") in exchange for 395.31 ETH. At the time of the sale, this amount of ETH was roughly worth \$100,000.00, one hundred thousand dollars. The Kin tokens weren't completely sold during the TDE and the remaining tokens were redistributed among the TDE participants. I ultimately received 950,491,488.03 Kin.
3. I currently have about 500,00,000 Kin left as I have had to sell some in exchange for US Dollars to pay some bills. The only reason I am holding on to the rest is in hopes that the price goes up so I can get back some of the money I spent on them so it isn't a total loss.
4. I first heard about the Kin sale in early 2017 while living in Houston, Texas. At the time I purchased Kin, I was located in Peru, where I was participating in a 6-month internship with a local NGO. Before moving to Peru, I had changed my address back to my parent's house in Salt Lake City, Utah, which is where I lived after my internship in Peru ended.

5. I have not really been involving in the cryptocurrency community or trading cryptocurrency since the big market crash at the beginning of 2018, though I fairly often read through articles and posts on the internet, mostly Reddit, to catch up on crypto related news. After talking to both lawyers from Kik and from the SEC in January 2020, I decided to refamiliarize myself with the Kin ICO by rereading articles that came out from March 2017 to September 2017 that talked about Kik and Kin as it is almost certain that I read them at the time. I did this so that I would feel more confident that my answers to questions I was asked about the Kin ICO were truthful.
6. Since the Kin sale took place almost 3 years ago, I do not recall many exact specifics involving the TDE. I do not recall reviewing any specific materials published by Kik prior to purchasing Kin in the TDE. I remember that they had setup a website explaining the goals of the Kin token prior to purchasing Kin but I remember it having very minimal information; mostly stuff about their plan for Kin and how to purchase it. I can only specifically recall reading articles about Kin that were published by third parties, such as Coin Desk.
7. I do not recall ever reviewing or reading the Kin white paper in its entirety prior to purchasing Kin in the TDE, nor do I recall relying on any statements in the Kin white paper when deciding to purchase Kin. Technical papers about cryptocurrencies and cryptography or financial theory are not my forte and I probably wouldn't have understood most of it anyways.
8. In the Spring and Summer of 2017, I had gotten very into cryptocurrencies and watched numerous videos on how to trade cryptocurrencies and different opinions on certain coins. I do not recall viewing any specific videos of Kik's CEO, Ted Livingston, speaking about Kin prior to purchasing Kin in the TDE, nor do I recall relying on any statements from any videos of Mr. Livingston when deciding to purchase Kin. There is a video of him talking during a TechCrunch Fireside Chat included at the bottom of one of the articles that came out about Kik and Kin. Due to its length, I'm almost certain I wouldn't have watched it in

its entirety, but I definitely would have read the article since it was about Kin.

<https://crushcrypto.com/analysis-of-kin-kik/>

9. I do not recall any specific Tweets from Kik or the Kin Foundation prior to purchasing Kin in the TDE about anything other than when the actual TDE would take place or how to purchase Kin, nor do I recall relying on any statements contained in any Tweets from Kik or the Kin Foundation that influenced my decision to purchase Kin. I did use Twitter quite frequently to follow other Crypto enthusiasts that would give their take on certain coins, but most of them were full of it or being paid to promote certain coins. I mostly used Twitter to learn about crypto trading theories and market patterns.
10. I bought Kin primarily for three reasons. The first and biggest reason was because, in 2017, I had seen many Initial Coin Offerings (“ICOs”), and participated in a previous one, in which the token sold rose in value after the sale had completed, and I assumed that Kin might behave similarly. It was my plan to hold onto the token for a year for tax purposes and then sell at a profit. I never had any intention of using Kin to purchase digital items and have only ever sold Kin for other cryptocurrencies.
11. Secondly, I remember reading that Kik had already successfully implemented a similar idea called Kik Points. I remember reading about Kik and the Kin sale from online news articles and it was my understanding that Kin was a digital currency to be integrated into Kik, with its 300 million registered users, and be used as a medium of exchange to purchase digital goods and services within digital applications, including digital stickers and similar products. I remember it was supposed to be based off Kik Points and that Kik had previously had a lot of success with it and the amount of daily transactions of Kik Points was much higher than that of Bitcoin or Ethereum.
12. And thirdly, I chose to buy Kin because Kik was the first major tech company to get into cryptocurrency that already had a lot of clout and investors behind them along with a working product and believed because of this they would succeed and the price of Kin would go up.

13. I recall hearing about stickers being offered within the Kik Messenger application prior to participating in the Kin TDE, though I never remember receiving any and thought it was quite silly to give someone \$100,000 dollars and in return get digital stickers.
14. When I purchased Kin, I understood that other applications besides Kik could integrate Kin into their applications.
15. To the extent I hoped the price of Kin would increase when I purchased Kin, I do not recall Kik ever saying specifically that I would make money or that Kin was an investment opportunity. That hope was based on the success of other cryptocurrencies, the general increase of value of the entire cryptocurrency community as a whole, the fact that Kik was already well known and established, had had success with Kik Points, as well as the understanding that Kin would be introduced to Kik's 300 million registered users.
16. One of the reasons I decided to purchase Kin was that the cryptocurrency market at the time in 2017 was generally trending upwards. If the market had been trending downward, I would not have purchased Kin.
17. According to the SEC press release on June 4, 2019 regarding the Kin ICO, Kik had been losing money for years and was set to run out of money by the end of 2017. The SEC asked me in September 2019 if I would have purchased Kin had I known that Kik had been losing money for several years and would likely have run out of money in 2017 if not for the ICO. I stated that I definitely would not have purchased Kin and wish I had known that at the time.
18. I believed that the price of Kin would be tied to the cryptocurrency market, and that the price would change in large part based on market forces that were generally applicable to all cryptocurrencies or outside of Kik's control. For example, I believed the price of Kin and other cryptocurrencies would primarily be tied to the price of Bitcoin.
19. I also believed the price of Kin would be related to its adoption in the Kik Messenger as more usage would drive up the demand and price similar to other cryptocurrencies.

20. When talking with lawyers representing Kik in January 2020 I stated that, while I did expect Kin to be integrated within Kik Messenger, I did not recall Kik making any promises to integrate Kin into Kik Messenger in any particular manner, or within any specific timeframe. On January 31<sup>st</sup>, 2020, after doing a basic google search of Kin and Kik related articles from March 2017 to September 2017 and reading through these articles that I would have read back in 2017, I saw several instances where it was stated that Kin would be integrated into Kik Messenger after the ICO and even before developing the Kin Rewards System and Kin Foundation. Below are quotes from these articles with regards to integrating Kin into Kik.

*“After the ICO, Kik will integrate wallets for each Kik user account.*

*What are the tokens used for and how can token holders make money?*

*Kik will integrate Kin into its chat app by using Kin as the platform’s primary transaction currency.*

*In the future, users will be able to earn Kin by providing value to other members of the Kik ecosystem through curation, content creation, and commerce.*

*Kik users will be able to spend Kin on products, services, and other valuable assets offered by merchants, developers, influencers, and other participants.*

*The Kin token will immediately be used by a large base of users. This is something that almost no other token can achieve right now.”*

<https://crushcrypto.com/analysis-of-kin-kik/>

*“Instead of ads, Kik wants a community that can earn money for creating apps and services that get user attention and create value. To do that, the ICO will see Kik create “Kin,” a bitcoin-like currency that will serve Kik’s developer community. He said that the introduction of Kin payments into the community will “turn Kik into an economy” for its “millions and millions of monthly active users.”*

<https://techcrunch.com/2017/06/20/kik-ceo-claims-an-ico-is-better-than-venture-fundraising/>

*“Through the advanced developments in digital currencies and the blockchain, Kik is planning on creating a decentralized ecosystem of digital services through four steps: creating the Kin token on Ethereum, integrating Kin into Kik, developing the Kin Rewards Engine and launching the Kin Foundation.*

*Implemented on the Ethereum blockchain as an ERC20 token, Kin will serve as the basis of interoperability for all transactions within the Kin ecosystem. By adopting the token within the Kik app, it's hoped that millions of users will facilitate widespread adoption of Kin, establishing demand and value for the cryptocurrency. In preparation for the eventual launch of Kin, Kik has been experimenting with the integration of a cryptocurrency on its platform since 2014.*

*"In 2014, we launched an experiment called Kik Coins and the question we were trying to answer was: Could we get millions of everyday consumers earning and spending natively in a digital currency?" Livingston said. "The result is that we created a transaction volume that was three times better than Bitcoin's global transaction volume at the time."*

<https://bitcoinmagazine.com/articles/social-messaging-app-kik-will-bring-crypto-tokens-teen-market>

*“Kik has now outlined multiple steps it will take for the creation of Kin and its ecosystem. It will launch a token sale for the first Kin later in the summer and begin integrating the cryptocurrency into the Kik app where users buy and sell features and services like stickers, the use of bots and group chat hosting.*

*“It will also give Kin value on the public exchanges,” the CEO said. His company ultimately wants to spread Kin beyond its own app and create a decentralized ecosystem, using Kin, for all digital services.*

<https://www.coindesk.com/icos-going-mainstream-chat-app-kik-launch-token-sale>

21. Prior to my purchase of Kin, I do not recall Kik or the Kin Foundation ever promising that Kin would be listed on exchanges, nor do I recall Kik promising that Kik or the Kin Foundation would exert efforts to have Kin listed on exchanges. However, in order for the Kik to reach its goal of the Kin token reaching mass adoption and increasing in value it

would need to be available to be purchased and traded which means it would need to be listed on reputable exchanges.

22. After purchasing Kin, I believe that Kik's only obligation to me was to deliver the Kin tokens that I had purchased. After receiving my purchased Kin, I do not believe Kik owed me any ongoing contractual obligations. I expected that Kik would actually want to further their vision for Kin by integrating it into Kik and getting mass adoption as laid out in almost every article I read about their vision (as well as getting it listed on exchanges), but I do not believe I am owed anything by their failure to do so. Though, I do find it quite incredible that they raised all that money and had all of Kik's resources and the only thing they were able to do with it over the course of a year, Sept 2017 to July/August 2018, was make a simple app where you chose which hairstyle or room décor you liked more.
23. I never read Terms of Use and generally immediately click "I agree" to them since they are usually a bunch of nonsense legal terms to absolve companies of any fault. I do not have any reason to dispute that I agreed to Kik's Terms of Use when making my purchase of Kin, and believe I likely agreed to it.
24. I was asked by the Kik lawyers what my understanding of the term "as is" and "no warranties" is. My understanding of the term "as is" and the term "no warranties" is that there are no strings attached or future obligations. Basically, you are stuck with whatever you are buying and there are no take backs or obligations to replace the item if it is faulty, breaks, or doesn't work.
25. I stated that, when purchasing Kin, I was not aware of a separate pre-sale being conducted pursuant to SAFT Agreements, nor have I ever reviewed or been provided the SAFT Agreement or Private Placement Memorandum that were provided to pre-sale participants. After rereading several articles about the Kin ICO they all mention a pre-sale of 50 million that happened that I did not remember, but I must have been aware of at the time since I know I read most of the articles about the Kin ICO at the time.

I declare under penalty of perjury of the laws of the United States that the foregoing is true and correct.

Executed in Arcata, California, on February 3<sup>rd</sup>, 2020.

A handwritten signature in blue ink, appearing to read "Ryan Ramsey", is written over a horizontal line.

Ryan Ramsey